

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: MVP Health Plan, Inc. 2017)	
Vermont Health Connect Rate Filing)	
)	GMCB-07-16-rr
)	
SERFF No. MVPH-130558905)	

SUGGESTED QUESTIONS FOR MVP HEALTH PLAN, INC.

Pursuant to Rule 2.000 §2.202(c), the Office of the Health Care Advocate respectfully submits to the Green Mountain Care Board the following suggested questions for MVP Health Plan, Inc. in regard to the rate filing request in the above-captioned matter. We have omitted questions that we are aware have been previously submitted to the insurer in this matter.

- 1) Please explain the services included in the “Other Medical” benefit category on the URRT including the PMPM value and measurement units used.
- 2) Exhibit 2a shows an allowed unit cost trend of 2.5% plus leveraging factor of 0.2%, please reconcile this value to the URRT.
- 3) Regarding the Adjustment for \$1,300 Rx Out of Pocket Maximum (Bill H559) discussed on page 6 of the Vermont memorandum,
 - a) Please explain why the claim adjustments are being processed within MVP’s claims system during the experience period considering that Bill H559 was effective beginning October 2012 and the experience period for this filing is Calendar Year 2015.
 - b) When do you anticipate all of the claim adjustments to be realized within MVP’s claim system?
 - c) Please provide quantitative support for the adjustments provided in line 19 of Exhibit 3.
- 4) Please explain why grandfathered data, indemnity data, association data, and large group data are appropriate sources to use as the basis of the manual rate. Also, please explain how base period claims were adjusted for differences in morbidity between the populations and the projected combined 2017 market.
- 5) Regarding the Taxes and Fees included in Exhibit 5, please reconcile to the Taxes and Fees Load included on the URRT.

- 6) Regarding the Loss Ratio development shown on page 11 of the Vermont Actuarial Memorandum, the Claims, Taxes/Assessments (including adding in the risk adjustment fee), and the Premiums included in the Loss Ratio Development provided on page 11 of the Vermont Actuarial Memorandum do not match the URRT. Please explain.
- 7) On page 4 of the State Actuarial Memorandum, MVP discusses adjustments made to the experience period to adjust for large claims. Were similar adjustments made in the experience when performing the trend analysis? If so, please describe and show the emerging experience before and after the adjustments were made. If no such adjustments were made, please explain why.
- 8) Please explain why Column V, Line 38 of Worksheet 1 of the URRT, [Projected Incurred Claims] which equal \$422.23 is different from the claims expense of \$433.34 of the Target Loss Ratios for 2017 VT Exchange shown on page 11 of the State Actuarial Memorandum [which is also the same amount shown on Exhibit 3. Index Rate].
- 9) Please provide the historical experience to support the 0.40% of premium load to reflect non-payment of premium.
- 10) Please explain how you allocated your administrative expenses to this block of business.
- 11) Please explain how MVP Health Plan's business practices as a nonprofit differ from MVP Health Insurance Company and how those differences impact premiums.
- 12) Please describe your quality improvement initiatives, wellness benefits, and charitable giving and the costs associated with each activity within those categories.
- 13) Please explain your provider contracting timeline. When do you establish the rates you will pay different providers and how often are they renegotiated?
- 14) Please explain any assumptions you made in your filing based on current and upcoming Health Care reform initiatives in Vermont.
- 15) Please indicate whether as a result of legislative changes in Vermont during the 2016 session you expect to make any adjustments to the above captioned filing that will affect rates and that are not already incorporated into the filing. Provide details including the rate impact for each adjustment.
- 16) Please explain why your reinsurance costs increased significantly between your 2016 and 2017 filings (2016 and 2017 Actuarial Memorandums, p. 3, "Summary of Experience Period Non-FFS and Capitation Amounts").

Dated at Montpelier, Vermont this 10th day of June, 2016.

s/ Kaili Kuiper

Kaili Kuiper

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CERTIFICATE OF SERVICE

I, Kaili Kuiper, hereby certify that I have served the above Expert Witness Qualifications and Compensation Disclosure on Judith Henkin, General Counsel to the Green Mountain Care Board; Noel Hudson, Health Policy Director of the Green Mountain Care Board; and Gary Karnedy, representative of MVP Health Plan, by electronic mail, return receipt requested, this 10th day of June, 2016.

/s/ Kaili Kuiper

Kaili Kuiper

Office of the Health Care Advocate